

REPORT
OF THE
MAJORITY AND MINORITY
OF THE
SELECT COMMITTEE OF THE SENATE OF PENNSYLVANIA,
ON THE
SUBJECT OF THE TARIFF.

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REPORT

MAJORITY AND MINORITY

OF THE

SELECT COMMITTEE ON THE SENATE OF PENNSYLVANIA

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OF THE

SUBJECT OF THE TABLE

Report to the Senate of Pennsylvania, 1900-1901

MAJORITY AND MINORITY

MAJORITY AND MINORITY

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MAJORITY REPORT.

Mr. Black, from the majority of the select committee to whom was referred so much of the Governor's annual message as relates to the tariff, and a "Resolution offered by the Senator from Schuylkill," upon the same subject, submits the following report :

That, although the committee cannot, properly perhaps, appreciate the fears of the Executive ; or deem, in the language of the message, the "surrender of the great interests of Pennsylvania, to any imaginary, theoretic, or Arcadian scheme of free trade," as a contingency of the remotest probability, yet the intrinsic interest and importance of the subject, justify an extended examination.

Deeply affecting the pecuniary and political relations of each member of the confederacy, and of none more so than Pennsylvania, it recommends itself to our notice, not as a matter of idle speculation, but as a grave inquiry, to evolve, if possible, the just principles upon which it should be established, so as to produce in its operation the greatest amount of good, with the least possible evil, to the various and important interests concerned.

The policy of raising revenue from duties imposed on foreign importations, aside from constitutional authority, recommends itself from several considerations ; and principally, the greater facility of collection, the employment of fewer officers, and being less sensibly felt by the people ; and therefore, more cheerfully borne by them, than any system of direct taxation. Still, there are those, who advocate a different mode, as being more perfect and uniform in its operations—the free and unrestricted ingress of foreign products, and a direct resort to the people, for the necessary means to support government. But such system, however plausible it may be in theory, finds its own condemnation in practice. Free trade, if ever beneficial, can only be so, when its principles are universally applied. And those governments, with which our commercial relations are most intimate, having with singular unanimity adopted a different policy, by placing heavy restrictions upon the products of our soil and labor—would it be less than suicidal in our government to throw open its ports to the free importation of foreign products ? The consequences of such fatal policy, would be the inevitable prostration and perhaps entire ruin of the important interests brought into direct competition with the cheaper labor, greater experience, and more abundant capital of other countries ; and the secondary injury, though not less severe, occasioned by the diversion of capital to pursuits and occupations, not so intimately affected by the competition, and consequent depreciation of prices. And its impolicy would be still more manifest, should the government be driven, in time of peace, to direct taxation for its ordinary support ; as would be the case, in the event of the application of free trade principles. But such contingency is not to be apprehended. There are few, who under existing commercial relations, and the dependence of the government upon the people for confidence and support, would be hardy enough to advocate such a measure.

The propriety of imposing duties upon foreign importations for revenue purposes, however well established by the long practice of the government, can never justify the extension of the principle beyond a just and salutary degree ; and if the advocates of free trade are few, it is to be hoped that the number is as limited, who would again impose upon the country an onerous system of high duties, although concealed beneath the plausible exterior of protection to domestic manufactures. Protection, it is true, is a duty, a sacred obligation resting upon government. But the right to its enjoyment, is the

right of all—of every one who claims the proud title of an American citizen. Obedience and protection are reciprocal and co-extensive ; and whilst no interest, however great or important, can escape from the one, none most certainly should be too insignificant for the benign influences of the other. Members of the same great political family, rather than subjects of an arbitrary power, peace and harmony are to be attained and preserved by mutual concession and compromise ; and hence any measure that operates oppressively upon a large portion of the confederacy, should be so modified, as to remove, as far as practicable, the cause of complaint.

The great interests of agriculture, commerce and manufactures are inseparably connected, and alike entitled to the fostering care and protection of government ; and whilst the great importance of protecting those interests so essential to national independence, both in “peace and war,” should never be forgotten—the duty of promoting national wealth, by a proper encouragement to trade and commerce, should recommend itself with equal force.

The tariff act of 1828, and the circumstances connected with it, are familiar to all. The contest which resulted in the enactment of that oppressive law was deep and bitter, and shook the Union to its centre. The conflict of opinion pervaded every section of the country ; and opposition to the policy, assumed to some extent, the odious doctrine of disunion rather than submission. But the celebrated compromise act, and the policy of the administration, restored the country to a proper state of feeling. The policy of the great man, then at the head of the General Government, in relation to the tariff, was to reduce the revenue to the ordinary expenses of an economical administration, and thereby do strict justice to all portions of the confederacy, and to prevent a dangerous and useless accumulation of money in the coffers of the government.

In the annual message of the President, of December, 1832, the following language is used : “The soundest maxims of public policy, and the principles upon which our republican institutions are founded, recommend a proper adaptation of the revenue, to the expenditure ; and they also require that the expenditure shall be limited to what, by an economical administration, shall be consistent with the simplicity of government, and necessary to an efficient public service. In affecting this adjustment, it is due in justice to the interests of the different States, and even to the preservation of the Union itself, that the protection afforded by existing laws, to any branch of the national industry, should not exceed what may be necessary to counteract the regulations of foreign nations, and to secure a supply of those articles of manufacture, essential to the national independence and safety in time of war.” Again, in the message of 1833 : “I cannot too strongly urge the necessity of a rigid economy, and an inflexible determination not to enlarge the income beyond the real necessities of government, and not to increase the wants of the government by unnecessary and profuse expenditures.”

It may be assumed then, that the compromise act, by which the high duties imposed by the act of 1828, were prospectively reduced, was not more a concession to public opinion, than the recognition of what was to constitute the settled policy of the government : “the adaptation of the revenue to the expenditure.” It may be regarded as an actual abandonment of the high tariff policy, constituted without regard to the expenses of government ; but on the other hand, it as effectually recognized the policy of a revenue tariff, with the principle of discrimination, in order to produce incidental protection to our own manufactures. The act of 1828, is now denounced by many who have been regarded as the most decided friends of a protective tariff, and the committee cannot forbear quoting the significant language of one of the most eminent. “I think there is no danger of a high tariff ever being established ; that of 1828 was eminently deserving that denomination. I was not in Congress when it passed, and did not vote for it ; but with its history, and with the circumstances which gave birth to it, I am well acquainted. They are highly discreditable to American legislation, and I hope for its honor, will never be again repeated.”—[Mr. Clay to Dr. Bronson.]

The principle being sufficiently well established, it may not be amiss to inquire briefly, what mode would be most conducive to the interests of Pennsylvania, in the adjustment of the rates of duty. Two very different systems have been proposed. A horizontal or uniform rate of duty, strictly adapted to the ordinary expenditures of

government; and a mode, equally inflexible as to the amount of revenue, but so adjusted as to discriminate in favor of home products; or in other words, imposing higher rates of duty upon foreign imports, coming in competition with similar products of our own country.

The first of these proposes a uniform rate of duty upon all imports, adjusted upon the basis of revenue adapted to the expenditures of government. Thus, assuming the ordinary expenditures to be twenty-five millions, or rather, the amount to be derived from imposts, to be that sum, and the aggregate amount of dutiable imports to be one hundred millions, a horizontal or uniform duty of twenty-five per cent. would be imposed to produce the necessary amount. The minimum reduction under the compromise act was twenty per cent. This would have been found entirely inadequate to the production of a sufficient revenue; for, although political economists have pretended to believe a reduction of the expenses of government to less than twenty millions of dollars as practicable, and even assigned thirteen millions as the model of a cheap government, the present condition of the General Government abundantly shows the necessity of a greatly augmented revenue.

The question very naturally arises as to the degree of protection required by the great interests of Pennsylvania, and how far such interests would be protected by the operation of a horizontal or uniform rate of duty, strictly adapted to the ordinary expenses of government. The protection afforded to the domestic producer, by the imposition of duties upon foreign products, must be in proportion to the competition lessened or removed. If the duties are so low that the foreign producers can still supply our markets, without an increase of price, (although perhaps at the sacrifice of profit to themselves,) the competition remains the same, and the domestic producer finds no protection. But if the rates of duty are so adjusted, that the foreign article, and especially those coming in competition with our great staples, cannot be imported without an increase of price, corresponding with the duties imposed, or at least to compensate for the superior advantages of the foreign producer, then the protection is effective. From such position, the impolicy of either increasing or decreasing the tariff, in an extreme degree, may be inferred. If the duties are so low that they create no restriction upon foreign imports, the revenue must decline, unless sustained by greatly increased importations, and thus create a ruinous competition with our own producers. And if, on the contrary, they are so high as to become prohibitory, the same result as to revenue ensues; the temptations to smuggling and evasions of law are multiplied; and a monopoly—although temporary perhaps—created for the benefit of a portion of community, at the expense of the great mass of consumers. Both of these results, however, should be regarded in relation to revenue alone; that being the primary object of the imposition of duties upon foreign imports;—and such is the great facility, in this country, with which capital is transferred to the most profitable investments, that there is no great reason to fear any continued or permanent advantages by a portion of the people.

Of the great interests of Pennsylvania, the most important perhaps are iron and coal. There are, of course, others of great importance; but these will suffice for illustration. The value of the iron produced in Pennsylvania, during the year 1841, has been estimated at more than twenty millions of dollars; its manufacture giving employment to upwards of twenty thousand persons; with a dependent population of more than one hundred and twenty thousand. And it should be borne in mind that this result was produced at a time of great pecuniary embarrassment; when the people were but slowly emerging from a period of deep and pervading depression in every species of trade. The competition with the foreign product, may be inferred from the fact, that during the year adverted to, the iron imported amounted to upwards of three millions of dollars.

The amount of anthracite coal mined in Pennsylvania, in the same year, has been estimated at more than one million of tons; and the bituminous at eleven millions of bushels. The importation of coal, during that year, amounted to two hundred thousand tons.

In order to show the effect of foreign competition upon the manufacture of iron, it is

only necessary to exhibit the relative cost of a ton of that product in England and in Pennsylvania; and the illustration will, at the same time, establish the inefficacy of a horizontal tariff, reduced to the minimum of the compromise bill.

According to high authority, a ton of iron costs in England, in our currency,	\$30 55
Add freight, - - - - -	4 00
Incidental expenses, - - - - -	4 00
Duty, say twenty-five per cent, - - - - -	7 67
Making, - - - - -	<u>\$45 22</u>

At the period of the estimate, 1842, the same description of iron could not be manufactured in Pennsylvania, for less than sixty dollars per ton.

Under the present tariff act, the duty on iron of this description, is twenty-five dollars per ton, or about sixty per cent. ad valorem. This rate of duty was assigned after mature deliberation; and it was the opinion of one of Pennsylvania's most gifted representatives, that "a duty of less than twenty-four or twenty-five dollars a ton, would destroy nearly all the furnaces in Pennsylvania. That vast interest which had been raised up—not at the suggestion of the manufacturers, but by *our* own law—would be destroyed." It must be remembered that the ultimate reduction of duty upon iron, under the compromise act, was twenty per cent., or about six dollars per ton. The necessity of the increase is therefore sufficiently obvious.

The same facts existed in relation to coal. Costing but little more than freight, and frequently, as the committee are informed by competent authority, imported merely as ballast, an ad valorem duty of twenty-five per cent. would have afforded no restriction upon the importation of foreign coal.

The coal imported during 1841, under the minimum operation of the compromise act, amounted to about one-fifth of the entire consumption of that variety; but since the imposition of the present specific duty of one dollar and seventy-five cents per ton, the importation has become quite inconsiderable. And such is the vigorous competition between home producers of this article, of such prime necessity, that the price is as low, if not lower, than at the period of greatest importation.

But these important interests would not alone be seriously affected by an uniform rate of duty, imposed without discrimination. And here the committee cannot forbear adopting the following humane and liberal sentiments of the distinguished Pennsylvania Senator, Mr. Buchanan, already quoted: "A uniform rate of duty would be severely oppressive to the poor, because it would impose the same ad valorem tax, in all cases, upon the luxuries and necessities of life—upon the costly wines used by the rich, and upon the coarse woolen garment necessary to protect the poor from the piercing cold of the northern blast." "A horizontal tariff, be it high or low, would ruin all your mechanics and artizans who prepare foreign fabrics for use. You must discriminate in their favor, by imposing a higher rate of duty on the ready made article, than on the material of which it is made, or you will be supplied with coats and hats from London, and with boots and shoes from Paris."

From the foregoing, the committee feel justified in drawing the following conclusions:

That a pure system of free trade, and duties so high as to become prohibitory, tend to the same result—the total extinction of revenue from imposts, and a consequent necessity of some other, and perhaps more odious, mode of supporting the General Government. The one, under existing commercial regulations and the great domestic interests to be affected, and perhaps destroyed, by competition, must be regarded as impracticable, and perhaps desired by none. The other, if carried to an extreme degree, as was the case in the act of 1828, must destroy just competition, operate with great oppression upon the consumer, afford one class of community improvident immunities, and perhaps affect the peace and harmony of the Union itself. That a horizontal, ad valorem system of duties, adjusted to the ordinary expenses of government, would afford little or no protection to the great interests of Pennsylvania, and would inevitably cripple, if not destroy, the most important. But that a tariff, the aggregate proceeds of which

would not exceed the just and ordinary expenses of government, with the principle of discrimination in favor of home products, most intimately affected by foreign competition, and essential to national independence in time of war, would afford sufficient incidental protection to Pennsylvania interests. To the justice of such a system of duties, eminent statesmen of both great political parties have borne ample testimony; and the committee conclude with brief extracts from the most distinguished of these authorities.

The attention of Congress was, at an early period, called to this subject, in connexion with others of equal importance. In the second annual message of President Jefferson, the following language is used: "To cultivate peace, and maintain commerce and navigation in all their lawful enterprizes; to foster our fisheries as nurseries of navigation, and for the nurture of man, *and protect the manufactures adapted to our circumstances*; to preserve the faith of the nation by an exact discharge of its debts and contracts, *expend the public money with the same care and economy we would practice with our own*, and impose on our citizens no unnecessary burthens; to keep in all things within the pale of our constitutional powers, and cherish the federal union as the rock of safety: these, fellow citizens, are the landmarks by which we are to guide ourselves in all our proceedings." And in his fourth annual message, the question is submitted for grave consideration: "Whether the great interests of agriculture, manufactures, commerce or navigation, can, within the pale of your constitutional powers, be aided in any of their relations." And again, in the sixth message: "Shall we suppress the impost, and give that advantage to foreign over domestic manufactures? On a few articles of more general and necessary use, the suppression, in due season, will doubtless be right; but the great mass of the articles on which impost is paid, are foreign luxuries purchased by those only who are rich enough to afford themselves the use of them."

Passing over the succeeding administrations to the period of the compromise act, when the subject had assumed a more tangible shape, and received a more comprehensive examination, President Jackson, in the annual message of 1832, recommends the reduction of the whole scheme of duties, to the revenue standard, with due regard to the protection of those articles essential to national independence in time of war, to the faith of government, and to the preservation of the large capital invested in the establishment of domestic industry; and adds: "That manufactures adequate to the supply of our domestic consumption, would, in the abstract, be beneficial to our country, there is no reason to doubt; and to effect their establishment, there is perhaps no American citizen who would not, for a while, be willing to pay a higher price for them. But for this purpose, it is presumed, that a tariff of high duties, designed for perpetual protection, has entered into the minds of but few of our statesmen. The most they have anticipated, is a temporary, and generally *incidental*, protection; which, they maintain, has the effect to reduce the price by domestic competition, below that of the foreign article."

"Those who take an enlarged view of the condition of our country, must be satisfied that the policy of protection, must be ultimately limited to those articles of domestic manufacture, which are indispensable to our safety in time of war. Within this scope, on a reasonable scale, it is recommended by every consideration of patriotism and duty, which will, doubtless, always secure to it a liberal and sufficient support."

It must be borne in mind, that these views were expressed in relation to the high policy of 1828; when the revenue was rapidly accumulating, and before the ultra protective principles had given way to the more liberal doctrines of the compromise act.

The following views have been expressed by an eminent statesman of Pennsylvania. Mr. Buchanan:—"I am willing to unite with my political friends from the North, the South, the East, and the West, in reducing the expenditures of the government to the lowest point, consistently with the national honor, and the national safety. I would not impose one dollar of duties on foreign imports beyond what may be necessary to meet such an economical expenditure. In adjusting these duties, however, I shall never abandon the principle of discrimination in favor of such branches of home industry, as may be necessary to secure a supply of those articles of manufacture essential to the national independence and safety in time of war. And this more especially, after such manu-

factures have already been established, at immense expense, on the faith of your laws. I would save them from sinking into ruin, by a rate of discrimination necessary to preserve them. I repeat, that this is my creed."

Speaking of a former communication upon the same subject, another very distinguished individual, Mr. Van Buren, says :—"A conviction, that the establishment of commercial regulations, *with a view to the encouragement* of domestic interests, is within the constitutional power of Congress, was on that occasion distinctly avowed. But, holding this opinion, I at the same time denied the propriety of exercising this power, in a manner calculated to oppress any portion of my fellow citizens, or to advance the interest of one section of the Union, at the expense of another. More than ten years have elapsed since that communication was made; and during that entire period, the people of the United States have paid large amounts, avowedly imposed for the encouragement and protection of domestic manufactures, with gradual reductions, according to the provisions of the compromise act of 1833. The unbiassed sentiment of the country, in respect to what is, under such circumstances, the proper rule for legislative action upon this subject, has, I think, by the course of events, and the progress of opinion, been brought to the conclusion, briefly expressed, viz :

"A discriminating tariff for revenue purposes only, and which will, incidentally, protect American industry."

The following sentiments of an equally eminent American statesman, who has been identified with the subject for many years, Mr. Clay, are worthy of consideration :

"The sum and substance of what I conceive to be the true policy of the United States, in regard to a tariff, may be briefly stated. In conformity with the principle announced in the compromise act, I think, that whatever revenue is necessary to an economical and honest administration of the general government, ought to be derived from duties on foreign imports. And I believe, that, in establishing a tariff, of those duties, such a discrimination ought to be made, as will, incidentally, afford reasonable protection to our national interests. My opinion, that there is no danger hereafter of a high tariff, is founded on the gratifying fact, that our manufactures have taken a deep root. In their infancy, they needed a greater measure of protection; but as they grow and advance, they acquire strength and stability, and consequently will require less protection. Even now, some branches of them are able to maintain, in distant markets, successful competition with rival manufactures."

From the foregoing extracts, the gratifying fact is exhibited, that whatever difference of opinion may have existed in relation to this subject, at an earlier period of the government, and especially during the era of the act of 1828, and the compromise act of 1833, there is now no substantial difference between the most distinguished statesmen of both great political parties. Whether this harmony of opinion is the result of mutual concession or compromise, or a more entire abandonment of principles formerly advocated with unyielding pertinacity by one of those parties, would be an inquiry foreign to the present purpose. But certain it is, that the system now admitted and recommended, by its not very remote opponents, is the same proposed and adopted by the illustrious man who presided over the General Government at the time of the acts referred to, and uniformly approved and supported by his successor, and the most distinguished statesmen of the party to which he belongs. Such assent may be the result of a better understanding of the legitimate purposes of a tariff, and the effect of a revenue system in producing reasonable and sufficient protection to home industry. Thus, instead of defining a revenue tariff, with incidental protection, by the imposition of discriminating duties, to be a system designed to save the money of the people—to prevent the collection of money not required by the legitimate purposes of government—to obviate the necessity of levying and collecting taxes merely to incur the expense and labor of returning the same to the people, or to be squandered by the improvidence of government—to promote economy in the administration, and to do justice to all the great interests of the country—it has been held up as some ruinous system of free trade. By such course, great injustice has been done to what must be regarded as the true policy of government, and what is now substantially conceded by the most ardent of former opponents. In addition to such unexpected support, it is to be believed that

wherever the proposition has been honestly and fairly presented to the people, they almost uniformly declare their opposition to the policy of collecting a large excess of revenue, whether from direct or indirect taxation, beyond the ordinary and economical expenses of government, and their ready assent to a tariff system with discriminating rates of duty, thereby affording *reasonable incidental* protection to American industry. In relation to the present tariff act, it is believed that the aggregate revenue derived from it, will not more than meet the ordinary expenses, and certainly not more than adequate to the extinguishment of present liabilities.

But in relation to the details of the system, it is believed that some modification is necessary. From the great haste in which the important bill was passed, an accurate and proper adjustment of the rates of duty was hardly possible—hence some of the duties are actually and considerably higher than those imposed on similar articles by the act of 1828, now so much reprobated. It is due to the great interests of every portion of the confederacy, that a suitable modification should take place, in order that justice shall be done as near as practicable. It cannot be apprehended, however, that the great interests of Pennsylvania will suffer by such modification. So important are they to national independence, in peace and war, that they must ever demand and receive a liberal degree of protection.

But there is no occasion to extend the present report, either by fact or authority, beyond the present limits, especially upon a question whose principle may be regarded as settled in a great degree. A revenue tariff, with the principle of discrimination in favor of domestic products, most sensibly affected by foreign competition, and especially those essential to national independence in time of war, may be regarded as the true policy of government. Such, it is believed, will adequately protect the great interests of Pennsylvania. Abounding in the true elements of national greatness and independence, in a degree surpassed by no other State of the Union, her citizens might justly claim a most liberal protection; yet, do they ask for nothing inconsistent with the just principles of the General Government, or hostile to the interests, peace and harmony of any portion of the confederacy. And although embarrassed for the time by the burden of a heavy public debt, and derangement in her financial concerns, Pennsylvania can still point with pride and exultation to a population inferior to none in integrity, skill and enterprise, and to the exhaustless riches of her soil, mines and manufactures. These, aided and fostered by the encouragement of wholesome laws, are the foundation of national wealth and independence, and with such resources, and the example of a searching and rigid economy in every department of the government, the committee cannot but express the fullest confidence in the willingness of the people, to wipe from their State escutcheon the dark stains of broken faith and dishonored credit.

CHAS. A. BLACK,
HENRY CHAPMAN,
J. C. HORTON.

The following “Resolution relative to the tariff,” was submitted to the committee :

Resolved by the Senate and House of Representatives of the Commonwealth of Pennsylvania, in General Assembly met, That our Senators in Congress be instructed, and our Representatives be requested, to use every exertion in their power to defeat any alteration or revision of the present tariff act, having for its object the imposition of duties on imports, on the principle of revenue only.

It proposes to strike out all after the enacting clause, and insert as follows :

That “the surrender of the great interests of Pennsylvania, to any imaginary, theoretic or Arcadian scheme of free trade,” although a contingency of no great probability, would be utterly destructive to the iron, coal, wool, salt, and other great interests of Pennsylvania :

Resolved, That “the soundest maxims of public policy, and the principles upon which our republican institutions are founded, recommend a proper adaptation of the

revenue to the expenditures, and that they also require that the expenditures shall be limited to what, by an economical administration, shall be consistent with the simplicity of government, and necessary to an efficient public service."

Resolved, That a tariff for revenue, adapted to the economical expenditures of government, with the principle of "discrimination" in favor of "American industry," and "American products," thereby affording them "reasonable incidental protection," is not only sanctioned by the long practice of the government, but imperatively demanded by the importance of the great interests concerned.

Resolved, That the high tariff of one thousand eight hundred and twenty-eight, was oppressive in its operation, and uncalled for by the wants of the general government, that there is no danger of a recurrence to such system, which opinion is founded on the "gratifying fact, that our manufactories have taken deep root, and consequently require less protection."

Resolved, That the increase of the tariff, by the present act, was demanded by the inadequacy of the revenue, in relation to the expenditures of government, and the disastrous operation of the horizontal ad valorem system of duties, under the action of the minimum reduction of the compromise act; that the duties upon foreign iron, coal, salt, wool, and other products coming in competition with those great interests of Pennsylvania, are not, it is believed, more than sufficient incidental protection to those interests; and that should any modification take place in the details of the present tariff, it is the duty of the Senators and Representatives of Pennsylvania in Congress, to oppose any alteration or change which may seriously affect the iron, coal, salt, wool, and other great interests of Pennsylvania.

MINORITY REPORT.

The minority of the committee to whose consideration was referred so much of the Governor's Annual Message as relates to the Tariff, and a Resolution offered by the Senator from Schuylkill, submit the following report :

That they feel it a subject of deep regret, that there should be the least diversity of opinion upon a subject so intimately connected with the vital interests of Pennsylvania. It might be supposed, that upon whatever other subjects of State or National policy, conflicting views and opinions might be entertained, all would unite upon the principles which should regulate the extent and stability of the protection to be afforded to the labor of our own citizens, and the produce of our own soil.

It is not the intention of your committee to enter upon a labored discussion of the propriety of a tariff for protection ; nor to prove that, to secure this object, it must, of necessity, discriminate between such articles as are the produce of our own country, and such as are foreign. On these topics, the views and arguments contained in the report of the majority, are fully endorsed and approved. In these particulars, there is no disagreement. The important issue to be determined is, whether the extent of the protection thus afforded shall be dependent upon such contingencies as will render the system subject to constant fluctuation, or be established upon such a basis as will render it uniform and permanent. On a question of this importance, all considerations of a party character should be forgotten, and the great interests of Pennsylvania advanced by the united expression of all our citizens, in the persons of their representatives.

The main point of difference between the majority and minority of your committee is, as to the standard which shall regulate the imposition of a tariff for protection. It is contended by the report of the majority, that the protection to be afforded to the agricultural and manufacturing interests of our country, shall be limited by the amount of revenue necessary to support an economical administration of the government, making revenue a primary, and protection a secondary, consideration. This your committee do not consider the true Pennsylvania doctrine.

If it were possible to estimate the receipts at the National Treasury, from other sources than the revenue derived from import duties, to an approximate certainty, then that standard might, at least, claim the merit of uniformity ; but when it is considered that the amount received annually at the National Treasury, from a sale of the public lands, has varied since the year 1831, till the present time, from \$2,329,356 to the sum of \$24,641,979, it will be manifest, to the most careless observer, that a system, regulated by a standard so variable, could not afford uniform protection to the interests designed to be fostered.

The sum required to support an economical administration of the government, will not exceed twenty millions. The appropriations made by the last Congress, for the half calendar year ending June 30th, 1843, and the fiscal year ending June 30th, 1844, being a period of eighteen months, amounted, in the aggregate, to but \$24,499,255, (in which, it is alleged, there is ample provision for every department of service of the government,) making the annual expenses of government but a little over sixteen mil-

lions. But assuming the sum of twenty millions to be the proper amount, still, in order to afford protection, which would be adequate to meet the wants of the present condition of the country, the *whole* sum required to defray the expenses of government must be derived from duties imposed upon foreign importations.

A distribution of the proceeds arising from a sale of the public lands, among the states, according to federal representation, is inseparable from the adoption of a system of duties adapted to the revenue standard. Unless such a disposition be made of the uncertain revenues of the government, as will entirely exclude them from the computation, that uniformity and permanence so essential to the utility of the system fail to be secured.

The conclusion therefore, is, that a tariff, adapted to the revenue standard, unconnected with distribution of the proceeds arising from a sale of the public lands, would fall far short of the object to be secured by Pennsylvania policy, to wit : *protection to domestic industry.*

But, aside from the defects inherent in the project contained in the majority report, it yields the principle of just and necessary protection to northern interest, independent of all collateral or incidental considerations—a doctrine, heretofore, sacredly maintained by Pennsylvania policy. It may be true, that a tariff yielding sufficient revenue to support an economical administration of the government, might afford adequate protection to our manufactories, which have “taken deep root,” and acquired strength under the fostering care of government. It is in this sense, the extract from a letter of the distinguished citizen of Kentucky, contained in the majority report, is to be understood. The devotion of this eminent statesman, (to whom reference is made,) to a tariff for protection, has only been equalled by the consistency with which he afforded it support. In order to carry out his views, he has uniformly advocated, as an essential part of the “American System,” a distribution of the revenue derived from the public lands, so as to leave the *whole* expenses of government chargeable upon the receipts from import duties.

The committee fully appreciate the fears expressed by the Governor, in his annual message, of a “surrender of the great interests of Pennsylvania to the Arcadian scheme of free trade.” The present tariff was the result of a protracted and acrimonious contest. Its passage was warmly resisted at every stage of its progress, and was at last carried by but one vote of a majority. The same opposition which interposed to prevent its success, is daily acquiring strength. The most unremitting exertions are now using in Congress to procure its repeal. These facts certainly justify, fully, the fears expressed by the Executive.

It appears by a recent letter, written by a distinguished citizen of New York, (Mr. Van Buren,) that he is also hostile to the present tariff. The following is a copy of the letter referred to :

“ALBANY, February 28, 1843.

“MY DEAR SIR:—“I thank you very kindly for your friendly letter. *I have at no time, nor any where hesitated to express my decided disapprobation of the tariff act of the last session, as well in respect to the principle upon which it is founded, as to its details.* In good time you will have my views in respect to that, and all other subjects before the public. In the mean time, believe me to be,

“Very sincerely,

“Your friend and ob’t serv’t,

“MARTIN VAN BUREN.”

The majority of the committee could not have adverted to the sentiments contained in this letter, otherwise they would not have referred to the former opinions of this gentleman in support of a tariff for protection. As this distinguished statesman is now before the people, as a candidate for the highest office in the nation, serious apprehensions are justly entertained, lest those opinions should gain favor with the people, and ultimately prostrate a system fraught with incalculable benefits to Pennsylvania interests.

They, therefore, recommend the passage of the following joint resolution, offered by the Senator from Schuylkill:

Resolved by the Senate and House of Representatives of the Commonwealth of Pennsylvania, in General Assembly met, That our Senators in Congress be instructed, and our Representatives be requested, to use every exertion in their power, to defeat any alteration or revision of the present tariff act, having for its object the imposition of duties on imports, on the principle of revenue only.

WM. STEWART,
WM. A. CRABB.

